22908

Rocky Mountain Railcar and Repair, Inc.

1485 W. James Way Tooele, UT 84074

PH: (435) 843-8317 FEE RECEIVED: (435) 843-8321

APR 1 - 2011

SUMPAUL TRANSPORTATION EQARD



March 23, 2011

Ms. Cynthia T. Brown Chief Section of Administration Office of Proceedings Surface Transportation Board 395 E Street S. W. Washington, D.C. 20324-0001



APR 1 - 2011

SURFACE **TRANSPORTATION BOARD**

RE: Finance Docket No. 35478, Rocky Mountain Railcar and Repair, Inc.- Operation-Line of Railroad in Tooele County, UT

Dear Ms. Brown:

On behalf of Rocky Mountain Railcar and Repair, Inc. I am filing an original and ten copies of a Verified Notice of Exemption for the operation of a rail line pursuant to 49 U.S.C. 10901 and 49 CFR 1150.31. I am also enclosing a copy of this filing on a computer disk and check for \$1800 to cover the filing fee.

Please address any questions to the undersigned and date stamp and return on copy of the filing.

Respectfully submitted,

Trent D. Stirling

Trent Stilling

APR 1 - 2011

Part of Public Record

BEFORE THE SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35478

ROCKY MOUNTAIN RAILCAR AND REPAIR, INC
- OPERATION EXEMPTION –
LINE OF RAILROAD IN TOOELE COUNTY, UT

ENTERED
Office of Proceedings

APR 1 - 2011

Part of Public Record

VERIFIED NOTICE OF EXEMPTION PURSUANT TO 49 U.S.C. 10901 AND 49 CFR 1150.31

Rocky Mountain Railcar and Repair, Inc. ("Rocky Mountain"), a corporation and non-carrier, files this Notice of Exemption, pursuant to 49 C.F.R. Part 1150, Subpart D- Exempt Transactions, with the Surface Transportation Board (the "Board") to permit Rocky Mountain to operate 60,720 track feet of existing railroad trackage ("the line") inside an existing industrial facility it intends to acquire in Tooele County, UT. Currently the U.S. Army provides common carrier rail service to at least two customers located inside that facility.

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APR 1 - 2011

SUMMATION BOARD

RANSPORTATION BOARD

FILED

APR 1 - 2011

SURFACE TRANSPORTATION BOARD

BEFORE THE SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35478

ROCKY MOUNTAIN RAILCAR AND REPAIR, INC. - OPERATION EXEMPTION – LINE OF RAILROAD IN TOOELE COUNTY, UT

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 AND 49 CFR 1150.31

Submitted By:

Trent D. Stirling Rocky Mountain Railcar and Repair, Inc. 1485 W. James Way Tooele, UT 84074 (435) 843-8317

Assistant Controller

Dated: March 23, 2011

INFORMATION REQUIRED BT 49 CFR 1150.33

Name and Address of Applicant
Rocky Mountain Railcar and Repair, Inc.
1485 W. James Way
Tooele, UT 84074

49 CFR 1150.33 (a)

Applicants Representative Trent D. Stirling

1485 W James Way Tooele, UT 84074 435-843-8317 49 CFR 1150.33 (b)

Statement of Agreement

49 CFR 1150.33 (c)

Rocky Mountain intends to acquire the track and the underlying right of way. It desires to convert the present switching railroad operation to common carrier railroad service.

Operator of the Property

49 CFR 1150.33 (d)

Rocky Mountain will be the common carrier railroad service over the line.

Brief Summary of Transaction

49 CFR 1150.33 (e)

Rocky Mountain intends to acquire 650 acres of real estate zoned for heavy industrial use and located in Tooele County, UT. Current rail facilities, which Rocky Mountain intends to acquire, consist of 11.5 miles of trackage which contains a spur that connects to the Union Pacific Main Line. Rocky Mountain presently operates a railcar repair facility there which it intends to significantly expand to handle traffic destined to or from its own facility and other facilities located on the Utah Industrial Depot. Upon receipt of the requested exemption, Rocky Mountain intends to reconstruct and upgrade the existing trackage and extend it as indicated on the map attached as Exhibit A. Once completed, Rocky Mountain expects to handle 2,000 railcar repairs per year initially and seeks to increase that traffic level to 3,000 railcar repairs per year

eventually. Union Pacific orally indicated it has no objection to Rocky Mountains initiation of common carrier rail service.

Rocky Mountain seeks to convert its present private switching operation into a common carrier rail service so it can aggressively hold out as a common carrier soliciting repair traffic from the mountain west. Moreover, Rocky Mountain believes that conversion of its operation to a common carriers status will render it eligible to obtain rehabilitation funding under the Federal Railroad Administration's Railroad Rehabilitation Improvement Fund as well as to claim federal class III railroad tax credits for privately funded improvements.

Two shippers that would utilize Rocky Mountain's service including Utah Commodity Storage, Inc. and Rocky Mountain Railcar and Repair, Inc. have submitted support letters attached here as Exhibits E and F. The latter

Other information required:

(1) The name and address of the railroad transferring the subject property:

Utah Industrial Depot currently owns the property upon which Rocky Mountain desires to initiate common carrier rail service. Its address is 545 Lodestone Way, Tooele, UT 84074.

(2) The proposed time schedule for consummation of the transaction:

Rocky Mountain intends to consummate this transaction approximately six months from the filing date of this notice.

- (3) The mileposts of the subject property, including any branch lines:
 - There are none as the Line is located inside an industrial facility.
- (4) The total route miles to be acquired and operated:

About 11.5 miles.

Map

49 CFR 1150.33 (f)

A map depicting the railroad trackage to be operated is attached as Exhibit A and a map showing the relationship between this trackage and other rail lines is attached as Exhibit B.

Certificate of Carrier Classification

49 CFR 1150.33 (g)

Rocky Mountain certifies that, with this acquisition, its projected revenues will be less than \$5,000,000 annually. A certificate complying with the provisions of 49 CFR 1150.33 (g) is attached as Exhibit C to this notice.

<u>Transaction Imposing Interchange Commitments</u>

49 CFR 1150.33 (h)

Not applicable. There is no agreement containing language limiting Rocky Mountain's ability to interchange with other carriers. Furthermore, the Line only connects with a line of Union Pacific.

Disclosure of Intent to Transport Waste

Rocky Mountain does not presently intend to provide facilities for collecting, sorting, loading, unloading, transferring, or transporting or municipal solid waste ("MSW) or construction and demolition ("C&D") material.

Labor Protection

Labor Protective conditions are not applicable to transaction under 49 U.S.C. 10901.

Caption Summary

49 CFR 1150.34

A caption summary in the prescribed form is attached as Exhibit D to this Notice.

Environmental and Historic Preservation Data

49 CFR 1105

Pursuant to 49 CFR 1105.6 (c) (2), the proposed transaction is exempt from environmental review under 49 CFR 1105 (c) (2) (i), because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 1105.7 (e) (4) or (5).

In addition, this transaction is exempt from historic review under 1105.8(b) (1). Under this section, a sale, lease or transfer of a rail line is exempt if rail operations will continue. Further Board approval is required for the parties to abandon service, and there are no plans to dispose of or alter the properties subject to Board jurisdiction.

Submitted By

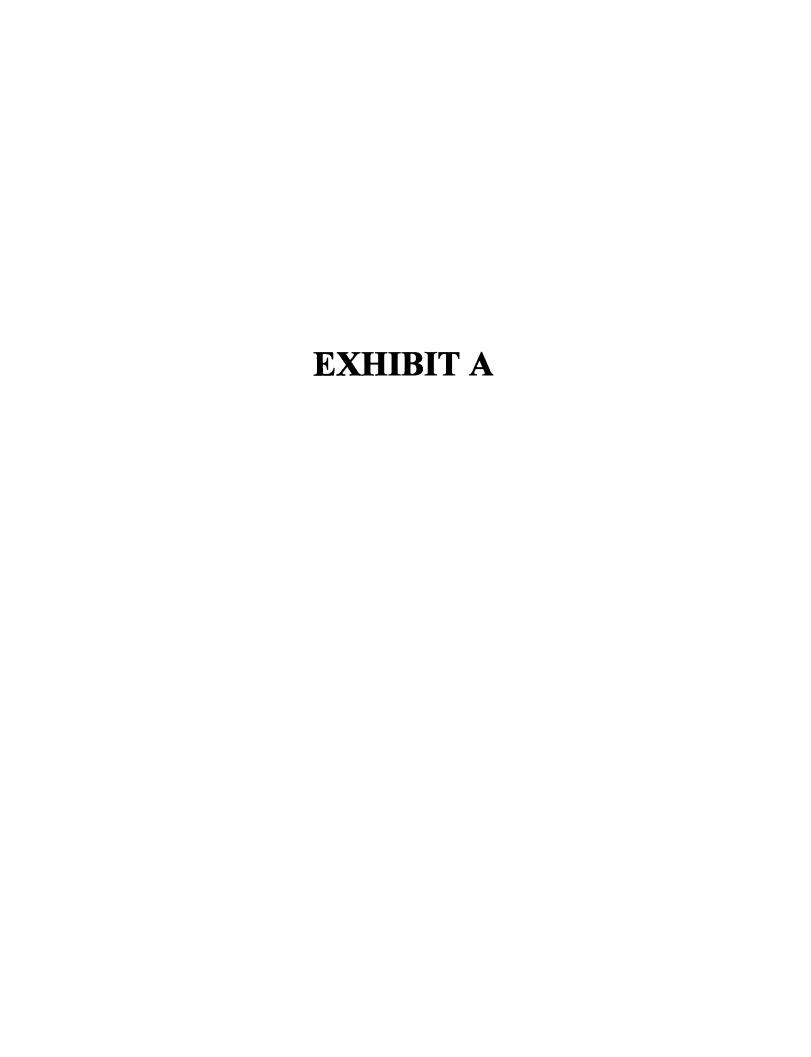
Trent D. Stirling

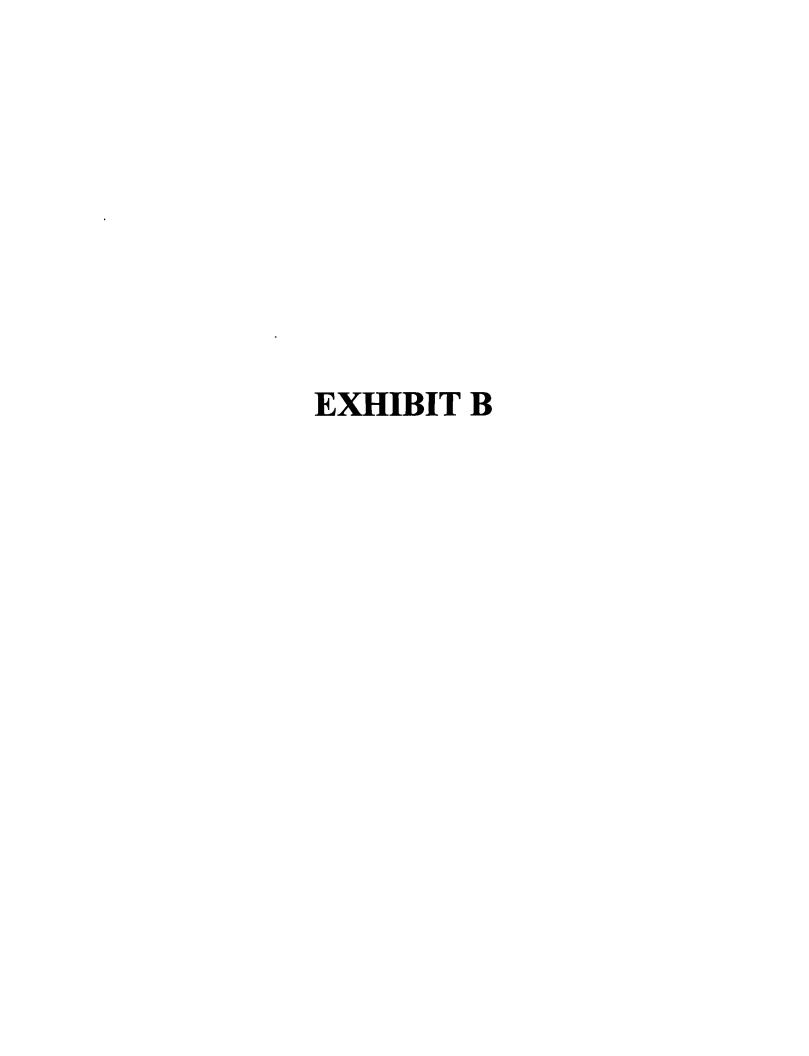
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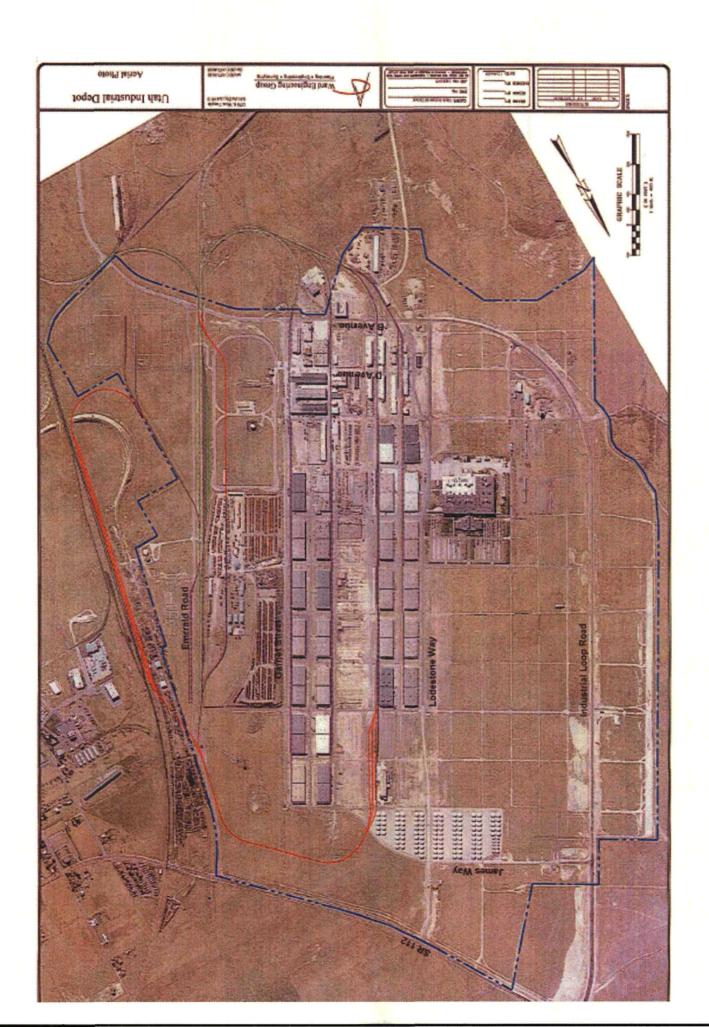
1485 W James Way Tooele, UT 84074 (435) 843-8317

Assistant Controller

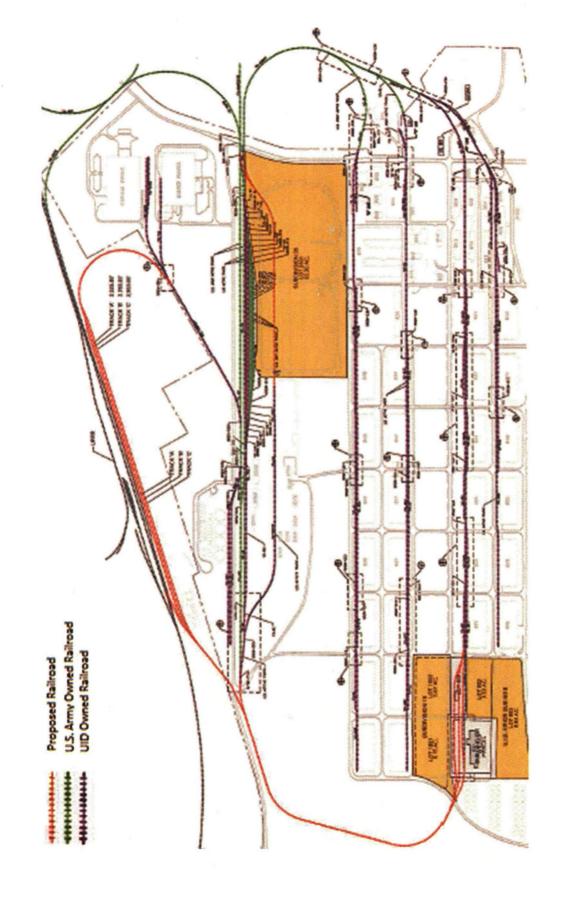
Dated: March 23,2011

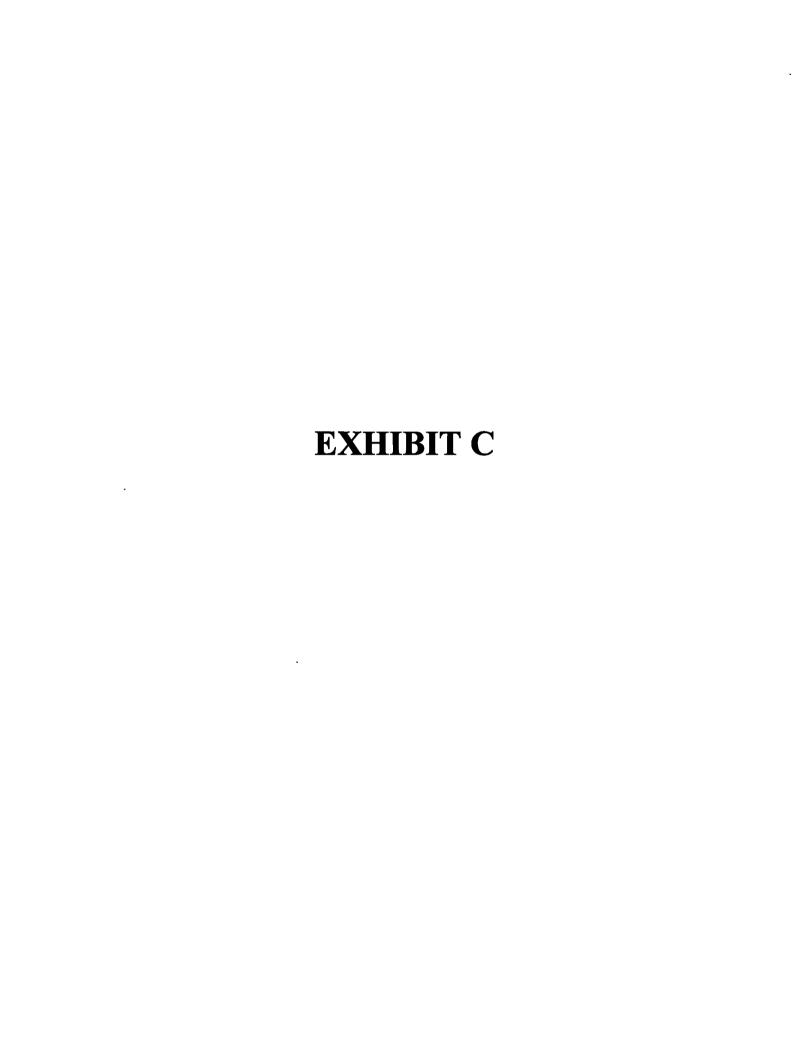












Certification

I, <u>Roger Peterson</u>, Certify that I am CEO (state position) of <u>Rocky Mountain Railcar and Repair</u>, <u>Inc.</u> (name of carrier) and that applicant's projected revenues will not exceed \$5 million annually and will not result in the applicant becoming a Class I or Class II carrier under the provisions of 49 CFR 1201 (1-1).

Dated: 3 -31 - 11

Signature

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EXHIBIT D

EXHIBIT D

BEFORE THE SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. FD 35478

ROCKY MOUNTAIN RAILCAR AND REPAIR, INC. -OPERATIONAL EXEMPTIONLINE OF RAILROAD IN TOOELE COUNTY, UT

VERIFIED NOTICE OF EXEMPTION PURSUANT TO 49 U.S.C. 10901 and 49 CFR 1150.31

Rocky Mountain Railcar and Repair, Inc. ("Rocky Mountain"), a corporation and non-carrier has filed a Verified Notice of Exemption under 49 CFR 1150.31 to operate and 11.5 mile short line railroad located at an industrial facility that it intends to acquire in Tooele County, UT. Rocky Mountain presently conducts operations as a railcar repair facility but wishes to hold itself to the public as a railroad common carrier to solicit traffic from other customers in repair. Inasmuch as the trackage is inside an industrial facility, there are no mileposts.

Rocky Mountain plans to consummate this transaction within six months from the date of this notice.

Rocky Mountain certifies that its projected revenues as a result of this transaction would not exceed those that would qualify it as a Class III rail carrier and further certifies that its projected annual revenues will not exceed \$5 million.

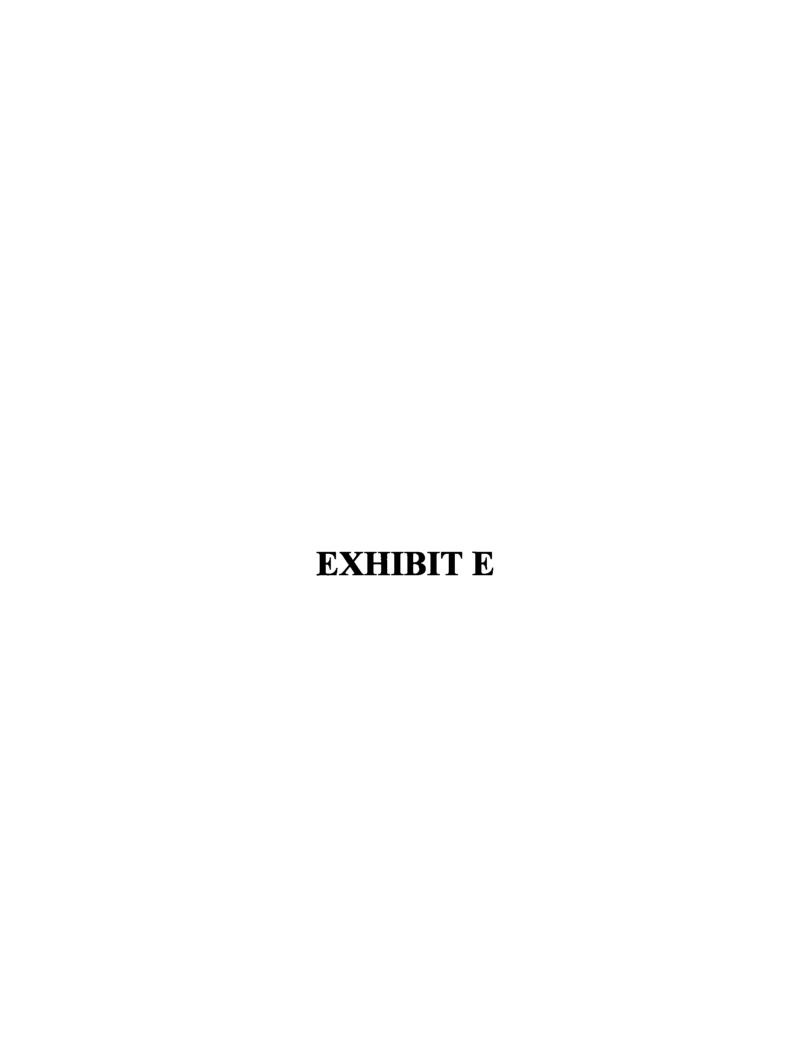
If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C § 10502 (d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than April _____, 2011 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Finance Docket No. 35478, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Trent D Stirling, 1485 W James Way, Tooele, UT 84074, Telephone: (435) 843-8317.

Board decisions and notices are available on our website at <u>WWW.STB.DOT.GO</u>.

Decided:

By the Board, Rachel D. Campbell, Director, Office of Proceedings.





435-843-8317 1485 W James Way Tooele, UT 84074

Date: March 31, 2011

To Whom It May Concern,

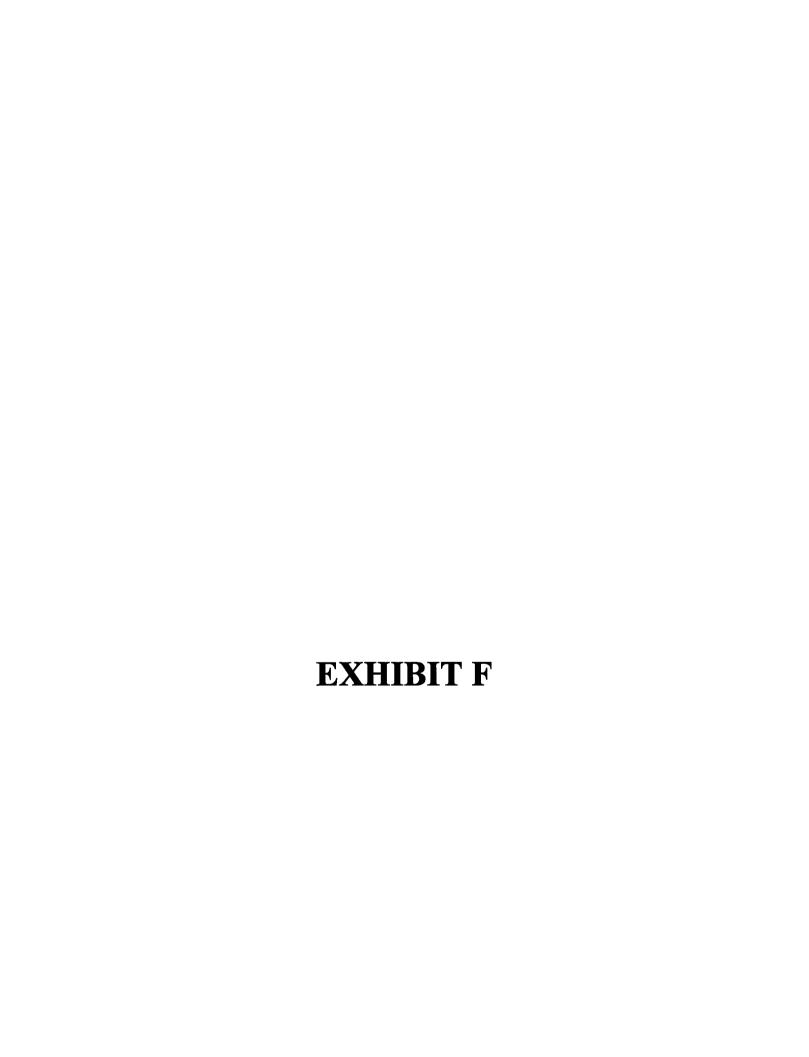
Rocky Mountain Railcar and Repair is a railcar repair company that services 2,000 railcars annually. Our business requires us to move cars multiple times during the week. Unfortunately the U.S. Army are acting as the current railroad company. The U.S. Army does not obey rail industry standards for providing services. They charge approximately \$500 per hour for switching services instead of the standard \$75 per switch. This costs our company an estimated \$250,000 per year in excess switching costs. Furthermore, the time table that the Army allocates to serve or needs is less than acceptable. Often, we must wait hours for switches which cost our company an estimated \$400,000 annually in payroll for employees to wait for switching. Rocky Mountain Railcar and Repair seeks to grow its business, but cannot handle any more until the U.S. Army is replaced by a private rail carrier.

Rocky Mountain Railcar and Repair expects that with the increased capacity for movement that our repair volume can increase to over 3,000 cars annually. Our company is reliant upon flexible and timely car movements. We support Rocky Mountain railcar in becoming its own railroad company in order to provide said flexible and timely service to Rocky Mountain Railcar, Inc.

Respectfully yours,

Aaron Peterson General Manager

Rocky Mountain Railcar and Repair, Inc.



UTAH COMMODITY STORAGE, INC.

4921 Last Stand Drive Park City, Utah 84098 (435) 649-3333

March 28, 2011

Ms. Cynthia T. Brown
Chief Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street S. W.
Washington, D.C. 20324-0001

Dear Ms. Brown:

Utah Commodity Storage, Inc. leases space from the Utah Industrial Depot. We have a license from the New York Mercantile Exchange to warehouse copper that is traded on the exchange. We often ship via rail and require prompt service.

Currently, the U.S. Army is servicing our rail car needs and the service is not optimal for us to run our business efficiently. Rocky Mountain Railcar and Repair will offer us far superior service as they plan to provide us with far more opportunities per week to ship and receive product. This improved service will allow for us to better service the copper industry. Therefore, we are in favor of having Rocky Mountain Railcar and Repair provide us with rail service.

Sincerely,

Utah Commodity Storage, Inc. Karl Neumann, President